



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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**12 VAC 30-135 – Demonstration Waiver Services**  
**Department of Medical Assistance Services**  
June 6, 2008

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### **Summary of the Proposed Amendments to Regulation**

The proposed changes will clarify several rules in the Family Planning Waiver program upon request by the Centers for Medicare and Medicaid Services.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Upon request by the Centers for Medicare and Medicaid Services, the proposed changes will clarify 1) that individuals with creditable health coverage are not eligible for family planning services under this waiver, 2) that individuals who have received a sterilization procedure or hysterectomy are not eligible for family planning services under this waiver, 3) that retroactive eligibility is prohibited, and 4) that the testing for sexually transmitted diseases is not limited to the initial family planning encounter.

According to Department of Medical Assistance Services, all of the proposed changes are clarifications as they have been already followed in practice. Thus, no significant compliance costs are expected. The main expected benefits, on the other hand, are the increased likelihood of CMS approval for the continuation of this waiver services and the added clarity of the regulatory language.

### **Businesses and Entities Affected**

The proposed regulations apply to approximately 10,000 enrollees and approximately 700 service providers.

## **Localities Particularly Affected**

The proposed regulations apply throughout the Commonwealth.

## **Projected Impact on Employment**

No significant impact on employment is expected.

## **Effects on the Use and Value of Private Property**

No significant impact on the use and value of private property is expected.

## **Small Businesses: Costs and Other Effects**

No significant costs and other effects on small businesses are expected.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

No adverse impact on small businesses is expected.

## **Real Estate Development Costs**

No adverse impact on real estate development costs is expected.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the

regulation. The analysis presented above represents DPB's best estimate of these economic impacts.